



Mastering the Collection Process

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Collection Goals

- Customer Satisfaction
- Employee Satisfaction
- Quality

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Collection Information Statements & Allowable Living Expenses

- Changes to Collection Information Statements
 - What changed
 - Why the change
- 2008 Allowable Living Expenses

Offer in Compromise

- OIC consideration
 - Doubt as to collectability
 - Doubt as to liability
 - Effective tax administration
- Taxpayers meeting criteria are encouraged to file

Offer in Compromise

- Successful OIC process:
 - Explore all collection options first
 - Ensure taxpayer is current with all filing and payment requirements
 - Include all required fees and TIPRA payments

Offer in Compromise

- Complete revised Form 656, Collection Information Statements and processability checklist
- Respond to request for additional information
- Revised IRM 5.8 includes new TIPRA requirements

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Collection Due Process

- Disqualified Employment Tax Levy
 - Provides for Post levy CDP notice
 - Defines disqualified employment tax levy
 - Levy employment taxes without pre-levy CDP notice
 - Prior qualified CDP levy hearing
 - Post-levy CDP hearing rights

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Collection Due Process

- Frivolous CDP Hearing requests / CDP requests
 - Request for hearing needs to state reason
 - Disallows frivolous hearing request
 - Provides for a \$5,000 penalty
 - Lists specified frivolous positions
 - 30-day opportunity to withdraw to avoid penalty

Collection Due Process

- Equivalent Hearing Requests
 - Must request Equivalent Hearing
 - Not automatic with late filed request
 - Check box on Form 12153 to request hearing

Single Member LLC Changes

- LLC Liable
 - Certain Excise Taxes – on or after 1/1/08
 - Employment Taxes – on or after 1/1/09
- Report in LLC name and EIN
- Owner liable before effective dates
- Income taxation unchanged

International and Insular Compliance

US Taxpayers Living Abroad

- Tax payments: Individual, business and electronic transfer
- Electronic Federal Tax Payment System (EFTPS)
- Tax assessments under IRC 6503(c)

More Information on IRS.gov

- Small Business Tax Workshop DVD
- Small Business Resource Guide CD-ROM
- Tax Talk Today
- e-News for Tax Professionals
- e-News for Small Businesses
- IRS Phone Forums



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